

**AMENDED
Draft Minutes of Meeting**

**VIRGINIA REAL ESTATE BOARD
INFORMAL FACT-FINDING CONFERENCES
FEBRUARY 5, 2003 (1:00 p.m.)**

The Real Estate Board convened in Richmond, Virginia, for the purpose of holding Informal Fact-Finding Conferences pursuant to the Administrative Process Act.

Schaefer Oglesby, Board Member, Presided. No other Board members were present.

Douglas W. Schroder appeared for the Department of Professional and Occupational Regulation.

The conferences were recorded by Inge Snead & Associates, LTD and the Summaries or Consent Orders are attached unless no decision was made.

Disc=Disciplinary Case
Lic=Licensing Application

1. Katherine Lane Inglefield
File No. 2001-01742 (Disc)
2. Carmen Pineiro
File No. 2002-01712 (Disc)
IFF to be re-convened
3. Gary S. Williams
File No. 2002-01546 (Disc)

The meeting adjourned at 5:30 p.m.

Virginia Real Estate Board

Joseph K. Funkhouser, II, Chairman

Louise Fontaine Ware, Secretary

COPY TEST:

Custodian of Records

DRAFT

SUMMARY OF INFORMAL FACT-FINDING CONFERENCE

TO: Real Estate Board

FROM: Schaefer Oglesby, Presiding Board Member

DATE: February 5, 2003

RE: Summary of Informal Fact-Finding Conference
Held on February 5, 2003
Katherine Lane Inglefield
File Number 2001-01742

BACKGROUND

The Notice of Informal Fact-Finding Conference (IFF) was sent by certified mail to Katherine Lane Inglefield ("Ms. Inglefield") on October 9, 2002. The following individuals participated at the conference: Ms. Inglefield, the Respondent and Raymond Mayer, the Complainant.

FACTS

Katherine Lane Inglefield, d/b/a Katie Inglefield, (Inglefield) was at all times material to these matters a licensed Associate Broker (License No. 0225 001639, expiration date 3-31-04).

Count I

On October 25, 2000, Patrick Casey, owner of residential property at 11701-D Summerchase Circle, Reston, Virginia (the property), entered into a Listing Agreement – Exclusive Right to Lease the property with Regal Properties, Inc., trading as Re/Max Regal (Re/Max Regal), through Katherine Lane Inglefield, dba Katie Inglefield (Inglefield), an associate real estate broker (License Number 0225 001639) affiliated with Re/Max Regal.

On November 2, 2000, Inglefield, as an agent of Re/Max Regal, entered the listing into the Metropolitan Regional Information Systems (MRIS) to lease the property.

On November 5, 2000, Inglefield, as an agent of Re/Max Regal, leased the property to Bjorn Kracker, as tenant. Inglefield, as an agent of Re/Max Regal, acted for the property owner identified in the lease as Landlord in the transaction.

Licensing records of the Real Estate Board (the Board) reveal that Inglefield's associate broker license was affiliated with Re/Max Regal Properties, Inc., at the time of the lease. Inglefield did not report the lease to Raymond Mayer (Mayer), the principal broker of Re/Max Regal.

RECOMMENDATION

I recommend that Inglefield's failure to report the November 5, 2000 lease to her principal broker, was acting as a standard agent for a client in a transaction outside her brokerage firm in violation of the Board's 1999 Regulation 18 VAC 135-20-270(3).

I further recommend that a **monetary penalty of \$250.00** be imposed for violation of the regulation.

Count II

On October 25, 2000, Patrick Casey, owner of residential property at 11701-D Summerchase Circle, Reston, Virginia (the property), entered into a Listing Agreement – Exclusive Right to Lease the property with Regal Properties, Inc., trading as Re/Max Regal (Re/Max Regal), through Katherine Lane Inglefield, dba Katie Inglefield (Inglefield), an associate real estate broker (License Number 0225 001639) affiliated with Re/Max Regal.

On November 2, 2000, Inglefield, as an agent of Re/Max Regal, entered the listing into the Metropolitan Regional Information Systems (MRIS) to lease the property. Inglefield included this statement in the remarks section of the MRIS listing: "Please make first month's rent and processing fee payable to Hospitality Homes."

Licensing records of the Board reveal that Inglefield formerly held a principal broker license with Hospitality Homes, Inc., that expired on August 31, 1997 (License Number 0225 030292). The firm license of Hospitality Homes, Inc. expired August 31, 1999 (License Number 0226 001930).

Licensing records of the Board reveal that Inglefield obtained a second principal broker license as with Hospitality Homes, LTD (License Number 0225 057863), and a second firm license for Hospitality Homes, LTD (0226 005897), that were issued on December 4, 2000.

On November 5, 2000, Inglefield, as an agent of Re/Max Regal, leased the property to Bjorn Kracker, as tenant. Inglefield, as an agent of Re/Max Regal, acted for the property owner identified in the lease as Landlord in the transaction.

Inglefield accepted the first month's rent check in the amount of \$1,000.00. The check was made payable to "Re/Max 10". Gary Schertzer, the Weichert Realtors agent who represented the tenant, wrote this check on the tenant's behalf. "Re/Max 10" is the broker number for Re/Max Regal.

Licensing records of the Real Estate Board (the Board) reveal that Inglefield's associate broker license was affiliated with Re/Max Regal Properties, Inc., at the time of this deposit. Inglefield did not inform Raymond Mayer (Mayer), the principal broker of Re/Max Regal, about this check and did not deposit the rent check into an escrow account of Re/Max Regal.

On or about November 6, 2000, Inglefield deposited this check into her bank account entitled Hospitality Homes, LTD. Operating Escrow Account, Account Number 011204017-12, F & M Bank, Northern Virginia.

RECOMMENDATION

I recommend that Inglefield's actions of depositing the first month's rent check into an account of Hospitality Homes, LTD was engaging in improper, fraudulent, or dishonest conduct in violation of the Board's 1999 Regulation 18 VAC 135-20-260(9).

I further recommend that revocation of Inglefield's license be imposed for violation of the regulation.

Count III

On November 25, 2000, Robert and Anna Olander as owners of residential property at 9519 Saluda Court, Lorton, Virginia (the property), entered into a Listing Agreement – Exclusive Right to Lease the property with Regal Properties, Inc., trading as Re/Max Regal (Re/Max Regal), through Katherine Lane Inglefield, dba Katie Inglefield (Inglefield), an associate real estate broker (License Number 0225 001639) affiliated with Re/Max Regal.

On November 28, 2000, Inglefield, as an agent of Re/Max Regal entered the listing into the MRIS to lease the property.

On November 30, 2000, Inglefield, as an agent of Re/Max Regal, leased the property to Mitchell Eugene Gibson, as tenant. Inglefield, as an agent of Re/Max Regal, acted for the property owners identified in the lease as Landlord in the transaction.

Licensing records of the Real Estate Board (the Board) reveal that Inglefield's associate broker license was affiliated with Re/Max Regal Properties, Inc., at the time of this lease. Inglefield did not report the lease to Raymond Mayer (Mayer), the principal broker of Re/Max Regal.

RECOMMENDATION

I recommend that Inglefield's failure to report the November 30, 2000 lease to her principal broker was acting as a standard agent for a client in a transaction outside her brokerage firm in violation of the Board's 1999 Regulation 18 VAC 135-20-270(3).

I further recommend that a **monetary penalty of \$250.00** be imposed for violation of the regulation.

Count IV

On November 25, 2000, Robert and Anna Olander as owners of residential property at 9519 Saluda Court, Lorton, Virginia (the property), entered into a Listing Agreement – Exclusive Right to Lease the property with Regal Properties, Inc., trading as Re/Max Regal (Re/Max Regal), through Katherine Lane Inglefield, dba Katie Inglefield (Inglefield), an associate real estate broker (License Number 0225 001639) affiliated with Re/Max Regal.

On November 28, 2000, Inglefield, as an agent of Re/Max Regal entered the listing into the MRIS to lease the property. Inglefield included this statement in the remarks section of the MRIS listing: “Please make first month’s rent and processing fee payable to Hospitality Homes, Inc.”

Licensing records of the Board reveal that Inglefield formerly held a principal broker license with Hospitality Homes, Inc., that expired on August 31, 1997 (License Number 0225 030292). The firm license of Hospitality Homes, Inc. expired August 31, 1999 (License Number 0226 001930).

Licensing records of the Board reveal that Inglefield obtained a second principal broker license with Hospitality Homes, LTD (License Number 0225 057863), and a second firm license for Hospitality Homes, LTD (0226 005897), that were issued on December 4, 2000.

On November 30, 2000, Inglefield, as an agent of Re/Max Regal, leased the property to Mitchell Eugene Gibson, as tenant. Inglefield, as an agent of Re/Max Regal, acted for the property owners identified in the lease as Landlord in the transaction. Licensing records of the Board reveal that Inglefield’s associate broker license was affiliated with Re/Max Regal Properties, Inc. at the time of the lease.

Inglefield did not inform Raymond Mayer (Mayer), the principal broker of Re/Max Regal, about this check and did not deposit the rent check into an escrow account of Re/Max Regal.

Inglefield told the Board’s agents that on December 6, 2000, she deposited Gibson’s first month’s rent check in the amount of \$1,395.00 into her account, as Hospitality Homes, LTD. Operating Escrow Account, Account Number 011204017-12, F & M Bank, Northern Virginia. Inglefield was unable to provide a copy of the check or state the date she received it. Her quarterly report as “Hospitality Homes, Inc.” sent to the owners dated “Nov - Feb 2001” reflects that on December 2, 2000, “Hospitality Homes, Inc.” received rent in the amount of \$1,395.00.

RECOMMENDATION

I recommend that Inglefield's actions of depositing the first month's rent check received on December 2, 2000 into the account of Hospitality Homes, LTD, at a time when no real estate license had been issued to that firm, was commingling the funds with her own funds in violation of the Board's 1999 Regulation 18 VAC 135-20-320(5).

I further recommend that revocation of Inglefield's license be imposed for violation of the regulation.

Count V

On November 25, 2000, Robert and Anna Olander as owners of residential property at 9519 Saluda Court, Lorton, Virginia (the property), entered into a Listing Agreement – Exclusive Right to Lease the property with Regal Properties, Inc., trading as Re/Max Regal (Re/Max Regal), through Katherine Lane Inglefield, dba Katie Inglefield (Inglefield), an associate real estate broker (License Number 0225 001639) affiliated with Re/Max Regal.

Inglefield's quarterly report as "Hospitality Homes, Inc." to property owners Robert and Anna Olander dated "Nov, - Feb 2001" reflects that on December 2, 2000, "Hospitality Homes, Inc." took a leasing fee in the amount of \$1046.25.

Licensing records of the Board reveal that Inglefield's associate broker license was affiliated with Re/Max Regal Properties, Inc., at the time the leasing fee was received.

Licensing records of the Board reveal that Inglefield formerly held a principal broker license with Hospitality Homes, Inc., that expired on August 31, 1997 (License Number 0225 030292). The firm license of Hospitality Homes, Inc. expired August 31, 1999 (License Number 0226 001930).

Licensing records of the Board reveal that Inglefield obtained a second principal broker license with Hospitality Homes, LTD (License Number 0225 057863), and a second firm license for Hospitality Homes, LTD (0226 005897), that were issued on December 4, 2000.

RECOMMENDATION

I recommend that, by accepting a leasing fee for leasing the property on November 30, 2000 from any person other than her principal broker, Inglefield accepted a commission or other valuable consideration from a person other than her principal broker at the time of the transaction in violation of the Board's 1999 Regulation 18 VAC 135-20-280(2).

I further recommend that a **monetary penalty of \$250.00** be imposed for violation of the regulation.

Count VI

On February 1, 2001, Investigator Doneen A. Whitaker, the Board's agent, sent a letter requesting a response to the complaint by Certified Mail to Katherine Lane (Katie) Inglefield (Inglefield) at her license address of record, 8907 Magnolia Ridge Road, Fairfax Station, VA 22039. The letter requested that Inglefield provide a response to the complaint by February 15, 2001.

The letter was signed for as received on February 2, 2001. Inglefield did not provide a response to the complaint by February 15, 2001.

On March 14, 2001, the Board's agent telephoned Inglefield, and left a message inquiring about her response. On March 15, 2001, Inglefield left a telephone voice mail message for the Board's agent, stating she was out of town and would call the following week to schedule an appointment regarding her response. She did not call as promised. Inglefield did not respond to the inquiry of the Board's agent within 21 days of receipt of her receipt of the letter requesting her response.

RECOMMENDATION

I recommend that Inglefield's failure to respond to an inquiry of the Board's agent within 21 days is a violation of the Board's 1999 Regulation 18 VAC 135-20-250.

I further recommend that a **monetary penalty of \$800.00** be imposed for violation of the regulation and revocation of Inglefield's license due to the fact that it took repeated contacts by the Board's Investigator and more than two months time elapsed before the information was finally received.

Count VII

On February 1, 2001, Investigator Doneen A. Whitaker, the Board's agent, sent a letter requesting a response to the complaint by Certified Mail to Katherine Lane (Katie) Inglefield (Inglefield) at her license address of record, 8907 Magnolia Ridge Road, Fairfax Station, VA 22039. The letter requested that Inglefield provide by February 15, 2001, copies of records pertaining to the listing and lease of properties at 11701 Summerchase Circle #1701-D, Reston, Virginia and 9519 Saluda Court, Lorton, Virginia, and records pertaining to the sale of property at 9103 Wood Ibis Court, Fredericksburg (Spotsylvania), Virginia. The letter was signed for as received on February 2, 2001. Inglefield did not respond and did not produce copies of requested documents by February 15, 2001.

On March 14, 2001, the Board's agent telephoned Inglefield, and left a message inquiring about the documents. On March 15, 2001, Inglefield left a telephone voice mail message for the Board's agent, stating she was out of town and would call the following week to schedule an appointment regarding her response and to produce the documents. She did not call or produce the documents as promised.

On March 26, 2001, the Board's agent left a telephone message requesting that Inglefield produce the records at her license address of record on March 30, 2001, at 11:00 a.m. On March 30, 2001, at 11:00 a.m., the Board's agents, Investigator Whitaker and Morgan T. Moore, arrived at Inglefield's license address of record, her personal residence. Inglefield did not answer. The Board's agents posted on the front door of the residence a demand for Inglefield to produce records pertaining to the listing and lease of properties at 11701 Summerchase Circle #1701-D, Reston, Virginia and 9519 Saluda Court, Lorton, Virginia; records pertaining to the sale of property at 9103 Wood Ibis Court, Fredericksburg (Spotsylvania), Virginia; and other real estate transaction and escrow account records, by April 2, 2001, at 11:00 a.m.

When the Board's agents returned April 2, 2001, at 11:00 a.m., Inglefield did not answer or produce records.

RECOMMENDATION

I recommend that Inglefield's failure to produce, upon demand, to agents of the Board any document, book, or record concerning any real estate transaction in which the licensee was involved, or for which the licensee is required to maintain records, was a violation of the Board's 1999 Regulation 18 VAC 135-20-240.

I further recommend that a **monetary penalty of \$800.00** be imposed for violation of the regulation and revocation of Inglefield's license due to the fact that it took repeated contacts by the Board's Investigator and more than two months time elapsed before the information was finally received.

LICENSING INFORMATION

Katherine Lane Inglefield, d/b/a Katie Inglefield, is a licensed Associate Broker (License No. 0225 001639, expiration date 3-31-04).

FINAL ORDER RECOMMENDATION

THE TOTAL MONETARY PENALTY RECOMMENDED HEREIN SHALL BE PAID WITHIN SIXTY (60) DAYS FROM THE DATE OF ENTRY OF THE FINAL ORDER IN THIS MATTER. FAILURE TO PAY THE TOTAL MONETARY PENALTY ASSESSED WITHIN SIXTY (60) DAYS OF THE DATE OF ENTRY OF SAID FINAL ORDER WILL RESULT IN THE AUTOMATIC SUSPENSION OF YOUR LICENSE (LICENSE NO. 0225 001639) UNTIL SUCH TIME AS SAID AMOUNT IS PAID IN FULL.

SUMMARY OF INFORMAL FACT-FINDING CONFERENCE

TO: Real Estate Board

FROM: Schaefer Oglesby, Presiding Board Member

DATE: February 5, 2003

RE: Summary of Informal Fact-Finding Conference
Held on February 5, 2003
Gary S. Williams
File Number 2002-01546

BACKGROUND

The Notice of Informal Fact-Finding Conference (IFF) was sent by certified mail to Gary S. Williams (Mr. Williams) on October 8, 2002. The following individuals participated at the conference: Mr. Williams, the Respondent.

FACTS

Gary S. Williams was at all times material to these matters a licensed Salesperson (License No. 0205 143971, expiration date 09-30-02). Williams' license is on inactive status.

Count I

On or about June 21, 1999, William and Joyce Cundiff, as purchasers, entered into a Virginia Association of Realtors Residential Contract of Purchase with Dominion Building Specialties, Inc., as seller, by Gary S. Williams, as President of Dominion Building Specialties Inc., for the purchase and construction of a new house, located on Lot 21, Jane Randolph Street, County of Bedford Virginia. Royal Real Estate Sales, Inc. was the listing broker and selling broker in the transaction. Susan P. Atkins (Atkins), the principal broker of Royal Real Estate Sales, Inc., provided dual representation to the principals in the transaction.

Gary S. Williams (Williams), the President of Dominion Building Specialties, Inc., was licensed as a real estate agent with Royal Real Estate Sales, Inc. when the real estate transaction took place.

The purchasers made a \$3,000 deposit with the seller, Dominion Building Specialties, Inc., identified in the contract as the "Escrow Agent". The terms of the contract, which was prepared by Atkins, the dual agent in transaction, state that the Escrow Agent, Dominion Building Specialties, Inc. shall hold the deposit in escrow.

Williams told the Board's Agent, Investigator E. Nathan Matthews, that he did not place the purchasers' \$3,000 earnest money deposit in an escrow account as required by the terms of the contract. Williams stated that he used the \$3,000 deposit to clear the lot, and to purchase building permits and a water meter.

Section 54.1-2103(D) of the Code of Virginia requires that Williams, as a licensee of the Board, comply with the Board's Regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure.

RECOMMENDATION

I recommend that Williams' failure to deposit the purchasers' earnest money deposit into an escrow account was in violation of the Board's 1999 Regulation 18 VAC 135-20-180(B)(1.a).

I further recommend that a **monetary penalty of \$100.00** be imposed for violation of the regulation. It is my feeling that all of the parties involved really did know that this money was not going to be held in any escrow account but it was stated in the contract that this money was to be held in escrow and he was in violation of that.

Count II

On or about June 21, 1999, William and Joyce Cundiff, as purchasers, entered into a Virginia Association of Realtors Residential Contract of Purchase with Dominion Building Specialties, Inc., as seller, by Gary S. Williams, as President of Dominion Building Specialties Inc., for the purchase and construction of a new house, located on Lot 21, Jane Randolph Street, County of Bedford Virginia. Royal Real Estate Sales, Inc. was the listing broker and selling broker in the transaction. Susan P. Atkins (Atkins), the principal broker of Royal Real Estate Sales, Inc., provided dual representation to the principals in the transaction.

Gary S. Williams (Williams), the President of Dominion Building Specialties, Inc., was licensed as a real estate agent with Royal Real Estate Sales, Inc. when the real estate transaction took place.

The purchasers made a \$3,000 deposit with the seller, Dominion Building Specialties, Inc., identified in the contract as the "Escrow Agent". The terms of the contract, which was prepared by Atkins, the dual agent in transaction, state that the Escrow Agent, Dominion Building Specialties, Inc. shall hold the deposit in escrow.

Williams told the Board's Agent, Investigator E. Nathan Matthews, that he did not place the purchasers' \$3,000 earnest money deposit in an escrow account as required by the terms of the contract. Williams stated that he used the \$3,000 deposit to clear the lot, and to purchase building permits and a water meter.

Section 54.1-2103(D) of the Code of Virginia requires that Williams, as a licensee of the Board, comply with the Board's Regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure.

RECOMMENDATION

I recommend that Williams' actions of spending the escrow deposit was improper, fraudulent, or dishonest conduct in violation of the Board's 1999 Regulation 18 VAC135-20-260(9).

I further recommend that a **monetary penalty of \$100.00** be imposed for violation of the regulation. It is my feeling that all of the parties involved really did know that this money was not going to be held in any escrow account but it was stated in the contract that this money was to be held in escrow and he was in violation of that.

Count III

On or about June 2, 1999, Harold J. and Susan Marshall, as purchasers, entered into a Residential Contract, with Dominion Building Specialties, Inc., by Gary S. Williams (Williams), President, as seller, for the purchase of a real estate property, located at Lot 29, Meadow Down Drive, County of Bedford, Virginia.

Williams, as the seller, did not disclose in the sales contract that he is a real estate licensee.

Section 54.1-2103(D) of the Code of Virginia requires that Williams, as a licensee of the Board, comply with the Board's Regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure.

RECOMMENDATION

I recommend that Williams' failure, as the seller in the transaction, to disclose in the sales contract that he is a real estate licensee may be a violation of the Board's 1999 Regulation 18 VAC 135-20-210(B).

I further recommend that a **monetary penalty of \$150.00** be imposed for violation of the regulation.

Count IV

On or about November 9, 1999, Neohni Ballard and William Ferguson, as purchasers, entered into a Residential Contract, with Dominion Building Specialties, Inc. by Gary S. Williams (Williams), President, as seller, for the purchase of a real estate property, located at Lot 4, Meadow Down Drive, County of Bedford, Virginia.

Williams, as the seller of the subject property, did not disclose in the sales contract that he is a real estate licensee.

Section 54.1-2103(D) of the Code of Virginia requires that Williams, as a licensee of the Board, comply with the Board's Regulations, notwithstanding the fact that the licensee would be otherwise exempt from licensure.

RECOMMENDATION

I recommend that Williams' failure to disclose in the sales contract that he is a real estate licensee was in violation of the Board's 1999 Regulation 18 VAC 135-20-210(B).

I further recommend that a **monetary penalty of \$150.00** be imposed for violation of the regulation.

LICENSING INFORMATION

Gary S. Williams was at all times material to these matters a licensed Salesperson (License No. 0205 143971, expiration date 09-30-02). Williams' license is on inactive status.

FINAL ORDER RECOMMENDATION

THE TOTAL MONETARY PENALTY RECOMMENDED HEREIN SHALL BE PAID WITHIN SIXTY (60) DAYS FROM THE DATE OF ENTRY OF THE FINAL ORDER IN THIS MATTER. FAILURE TO PAY THE TOTAL MONETARY PENALTY ASSESSED WITHIN SIXTY (60) DAYS OF THE DATE OF ENTRY OF SAID FINAL ORDER WILL RESULT IN THE AUTOMATIC SUSPENSION OF YOUR LICENSE (LICENSE NO. 0205 143971) UNTIL SUCH TIME AS SAID AMOUNT IS PAID IN FULL.